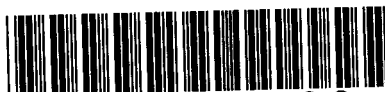


**Teresa Tenbrink**



0000159580

G-01551A-10-0458

**From:**  
**Sent:**  
**To:**  
**Subject:**

ken [REDACTED]  
Tuesday, December 23, 2014 6:39 AM  
Pierce-Web; Burns-Web; Stump-Web; BitterSmith-Web; RBurns-Web  
EEP Adjustment

**Follow Up Flag:**  
**Flag Status:**

Follow up  
Completed

**Categories:**

SENT TO CONSUMER SERVICES

ORIGINAL

Dear Gary, Brenda, Bob, Sue, and Bob,

I just learned how you allowed Southwest Gas to charge an additional fee because I'm not using enough gas. I work hard to be energy efficient and use electric space heaters powered by my solar panels to heat my home as much as possible. I do this because I don't like to waste natural resources nor money. I don't think it's right for you to allow Southwest Gas to exploit their monopoly and charge us extra because we are efficient and energy conscientious. I recently learned that SWG CEO Jeff Shaw makes over \$2.8 million dollars per year. This is excessive by any standard and yet you still see fit to allow SWG to charge average Arizonans like myself an extra fee because he needs to make almost \$3 million dollars per year. This is an injustice and I encourage you to fix this immediately.

Ken

Arizona Corporation Commission

DOCKETED

JAN 21 2015

DOCKETED BY

RECEIVED  
2015 JAN 21 P 12:55  
AZ CORP COMMISSION  
DOCKET CONTROL

**Teresa Tenbrink**

---

**From:** [REDACTED]  
**Sent:** Monday, December 29, 2014 1:29 PM  
**To:** BitterSmith-Web; rgayer@cox.net; rgayer@aol.com; blubin@azdem.org; jadams@azdem.org; salmy@azdem.org; dquinlan@azdem.org; broe@azdem.org; Utilities Div - Mailbox; Pierce-Web; Stump-Web; BitterSmith-Web; RBurns-Web  
**Subject:** RE: Southwest Gas EEP weather adjustment charge

Hello Ms. Bitter-Smith and other Commission Members,

Arizona residents do not want the EEP charge and the decoupling at all. Please see below.

<http://www.kpho.com/story/27691495/weather-charges-catches-gas-customers-off-guard>

These charges mainly go to boost SW Gas profits and very little ever comes back to the consumer.

For 2 years, this EEP charge was hidden. A few months before the charge was instituted, SW Gas customers got a notice stating that the itemized lines in their bill would be reduced to just a few lines in a new condensed bill form to make it easier to read and also because SW Gas did not want to confuse the customer. The customer was also not informed that they had the right to request a completely itemized bill. Then, a few months later, the new charge was instituted, with the amount and formula hidden. Attorney Richard Gayer has researched this extensively. Because of Mr. Gayer's efforts at exposing this, two years later, SW Gas was forced to add the EEP weather adjustment charge to the itemized bill so that customers would be aware. Please contact at [rgayer@aol.com](mailto:rgayer@aol.com) for complete information on the fraud that SW Gas has committed. We need the AZ Corporation Commission to immediately and permanently put a legal end to this decoupling based on the abuses and fraud that SW Gas has committed. We only want to pay for what we use. With the warmer climates in Arizona, decoupling is not necessary and especially in the middle and southern parts of the state, the charges mainly go to the profits of SW Gas and, as above, very little is ever returned to the consumer. Thank you for your immediate action to investigate these abuses and immediately put a permanent stop to decoupling in Arizona in regards to SW Gas.

Thank you,

Tamara Wood

----- BitterSmith-Web <[bittersmith-Web@azcc.gov](mailto:bittersmith-Web@azcc.gov)> wrote:

> I have forwarded this to Michael Buck. Thanks for your email.

>

> Teresa Tenbrink

> Executive Aide to Commissioner Susan Bitter Smith Arizona Corporation

> Commission

> 1200 W. Washington

> Phoenix, AZ 85007

> (602) 542-3625

>

>

> -----Original Message-----

> From: [REDACTED]

> Sent: Saturday, December 20, 2014 2:01 PM

> To: BitterSmith-Web; Stump-Web; Utilities Div - Mailbox; Burns-Web;

> tkwood10@cox.net; RBurns-Web; Pierce-Web  
> Cc: newstips@arizonarepublic.com; ed.montini@arizonarepublic.com;  
> laurie.roberts@arizonarepublic.com

Subject: Re: Southwest Gas EEP weather adjustment charge [REDACTED]

> I have attached a copy of my utility bill with the EEP charge. The question is have they followed the rules or is this charge being artificially inflated. This amounts to a 30% rate increase. This decoupling (EEP weather adj. charge) may work for other colder areas of the country but it is not going to work in the favor of the residents/voters in warmer areas, and Phoenixians do not want this charge. Also please forward a copy of this to Michael Buck, investigator for SW Gas. Thanks!

>  
> --- [REDACTED] wrote:

>> Hi All,  
>>

>> The charge on the Dec bill (for Nov service) for the SW Gas EEP weather adjustment charge varies between \$10-35 for Phoenix area residents. We have contacted everyone and gotten the run-around. We have read the tariff. We know the rules. We know this is legal and the practice was approved by the ACC. SW Gas will say nothing more [REDACTED] it is legal, that we can pay the charge or have our gas shut off, that the rate varies for each household, and that they will not reveal the formula "which depends on many factors."

>>  
>> This is highway robbery. What was meant to be a good-will gesture for SW Gas to protect them, has turned into a profit making venture to line the executives' pockets and their pension funds. This amounts to a 30% rate increase. Many Phoenixians are still recovering from the recession and are barely able to feed their families.

>>  
>> We voted for the all-Republican ACC because we were told they would hold down rates. The tax-heavy Democrats could have done better than a 30% rate increase. It is obvious that either SW Gas is buying you out or pulling the wool over your eyes. This needs to be investigated NOW and appropriately dealt with. When the next election rolls around, I will be retired and have a lot of time on my hands to support Democratic commissioners who will support the public. This atrocity is certainly is not going to help Republicans get reelected.

>>  
>> Thank you for your prompt attention to this matter.

>>

>> [REDACTED]

**Teresa Tenbrink**

---

**From:** [REDACTED]  
**Sent:** Tuesday, December 30, 2014 7:18 AM  
**To:** tkwood10@cox.net; BitterSmith-Web; rgayer@aol.com; blubin@azdem.org; jadams@azdem.org; salmy@azdem.org; dquinlan@azdem.org; broe@azdem.org; Utilities Div - Mailbox; Pierce-Web; Stump-Web; RBurns-Web  
**Subject:** Re: Southwest Gas EEP weather adjustment charge -- Next Rate Case in 2016

Hello All:

Probably the best time to get rid of decoupling is during the next "rate case" for SWGas. This will occur sometime in 2016. We should plan to attend and participate in those proceedings.

In the meantime, please keep up the good work.

Richard [REDACTED]

----- Original Message -----

**From:** [REDACTED]  
**To:** "BitterSmith-Web" <bittersmith-Web@azcc.gov>; <rgayer@cox.net>; <rgayer@aol.com>; <blubin@azdem.org>; <jadams@azdem.org>; <salmy@azdem.org>; <dquinlan@azdem.org>; <broe@azdem.org>; <mailmaster@azcc.gov>; <Pierce-web@azcc.gov>; <Stump-web@azcc.gov>; <BitterSmith-web@azcc.gov>; <RBurns-web@azcc.gov>  
**Sent:** Monday, December 29, 2014 1:29 PM  
**Subject:** RE: Southwest Gas EEP weather adjustment charge

Hello Ms. Bitter-Smith and other Commission Members,

Arizona residents do not want the EEP charge and the decoupling at all.  
Please see below.

<http://www.kpho.com/story/27691495/weather-charges-catches-gas-customers-off-guard> [REDACTED]

These charges mainly go to boost SW Gas profits and very little ever comes back to the consumer.

For 2 years, this EEP charge was hidden. A few months before the charge was instituted, SW Gas customers got a notice stating that the itemized lines in their bill would be reduced to just a few lines in a new condensed bill form to make it easier to read and also because SW Gas did not want to confuse the customer. The customer was also not informed that they had the right to request a completely itemized bill. Then, a few months later, the new charge was instituted, with the amount and formula hidden. Attorney Richard Gayer has researched this extensively. Because of Mr. Gayer's efforts at exposing this, two years later, SW Gas was forced to add the EEP weather adjustment charge to the itemized bill so that customers would be aware.

Please contact at rgayer@aol.com for complete information on the fraud that SW Gas has committed. We need the AZ Corporation Commission to immediately and permanently put a legal end to this decoupling based on the abuses and fraud that SW Gas has committed. We only want to pay for what we use. With the warmer climates in Arizona, decoupling is not necessary and especially in the middle and southern parts of the state, the charges mainly go to the profits of SW Gas and, as above, very little is ever returned to the consumer. Thank you for your immediate action to investigate these abuses and immediately put a permanent stop to decoupling in Arizona in regards to SW Gas.

Thank you,

Tamara [REDACTED]

----- BitterSmith-Web <bittersmith-Web@azcc.gov> wrote:

[REDACTED] I have forwarded this to Michael Buck. Thanks for your email.

> Teresa Tenbrink  
> Executive Aide to Commissioner Susan Bitter Smith Arizona Corporation  
> Commission  
> 1200 W. Washington  
> Phoenix, AZ 85007  
> (602) 542-3625

> -----Original Message-----

> From: [REDACTED]  
> Sent: Saturday, December 20, 2014 2:01 PM  
> To: BitterSmith-Web; Stump-Web; Utilities Div - Mailbox; Burns-Web;  
> tkwood10@cox.net; RBurns-Web; Pierce-Web  
> Cc: newstips@arizonarepublic.com; ed.montini@arizonarepublic.com;  
> laurie.roberts@arizonarepublic.com  
> Subject: Re: Southwest Gas EEP weather adjustment charge

> I have attached a copy of my utility bill with the EEP charge. The  
> question is have they followed the rules or is this charge being  
> artificially inflated. This amounts to a 30% rate increase. This  
> decoupling (EEP weather adj. charge) may work for other colder areas  
> of the country but it is not going to work in the favor of the  
> residents/voters in warmer areas, and Phoenicians do not want this charge.  
> Also please forward a copy of this to Michael Buck, investigator for  
> SW Gas. Thanks!

> ----- [REDACTED]

> > Hi All,

> > The charge on the Dec bill (for Nov service) for the SW Gas EEP  
> > weather adjustment charge varies between \$10-35 for Phoenix area  
> > residents. We have contacted everyone and gotten the run-around.  
> > We have read the tariff. We know the rules. We know this is legal  
> > and the practice was approved by the ACC. SW Gas will say nothing  
> > more than it is legal, that we can pay the charge or have our gas  
> > shut off, that the rate varies for each household, and that they  
> > will not reveal the formula "which depends on many factors."

> > This is highway robbery. What was meant to be a good-will gesture  
> > for SW Gas to protect them, has turned into a profit making venture  
> > to line the executives' pockets and their pension funds. This  
> > amounts to a 30% rate increase. Many Phoenicians are still  
> > recovering from the recession and are barely able to feed their families.

> > We voted for the all-Republican ACC because we were told they would  
> > hold down rates. The tax-heavy Democrats could have done better  
> > than a 30% rate increase. It is obvious that either SW Gas is

> > buying you out or pulling the wool over your eyes. This needs to be  
> > investigated NOW and appropriately dealt with. When the next  
> > election rolls around, I will be retired and have a lot of time on  
> > my hands to support Democratic commissioners who will support the  
> > public. This atrocity is certainly is not going to help Republicans get reelected.  
> >  
> > Thank you for your prompt attention to this matter.  
> >  
> > Tamara [REDACTED]

**Teresa Tenbrink**

---

**From:** Keith [REDACTED]  
**Sent:** Tuesday, December 30, 2014 10:45 AM  
**To:** BitterSmith-Web  
**Subject:** SW Gas Rates and Decoupling

Dear Commissioners

Dec 30, 2014

I have compared by Southwest Gas bill this year with last years bill for the same month December and with the same usage. Last years bill with 72 therms was \$101. This year with 73 therms the bill was \$137 that is almost a 36% increase. The neighborhood I live in is mostly seniors on fixed incomes and I am guessing they got hit with a similar increase. I realize these rate increase were put into play by costs SW Gas may have sustained more than a year ago. The current effective tariff rate for a therm of gas has increased from \$1.08 a year ago to \$1.33 this year. To top it off here in Tucson rate payers paid 7 months of decoupling increases. The decoupling came to \$81.57. Now rate payers not only are paying a 23% increase from a rate adjustment but are looking at as much as 15% from decoupling charges.

The same utility Southwest Gas charges their customers .89 cents a therm in Nevada. Nationally the average therm rate is \$1.03. The current rate in Arizona at \$1.33 is 30% above the national average. On top of that we are getting hit with a decoupling charges which are much higher than the \$1.50 per month that SW Gas said customers would see. So far since decoupling started I have been hit with 10 charges and only two credits.

Who is looking out for the rate payers in Arizona? Why during a period of historically low natural gas prices are we paying 30% more than the national average. We are paying almost 50% more than Nevada rate payers with the same company.

Keith [REDACTED]  
[REDACTED]  
[REDACTED]

Arizona Corporation Commission  
1200 W Washington  
Phoenix, Arizona 85007-2966

RE: Credits for 2013 Decoupling Over Charges SW GAS

Dear Commissioners:

SW Gas customers are continuing to see excess charges. 2013 was nothing compared to the overcharges that occurred in 2014 and continue. Here is my experience for 2013.

January-\$17.50 Credit

March-\$2.01 Credit

Total \$19.51

Charges

Feb-\$4.22

April-\$5.63

November-\$1.41

Total- \$11.26

By this you can see I am \$8.25 cents ahead but this does not calculate the 10 year heating degree day averages and what I would have paid without the decoupling.

Now lets look at 2014 which I assume hasn't been addressed.

Charges-

Jan-\$7.73

Feb-\$27.42

March\$22.50

April\$8.44

May-\$1.41

Nov-\$1.41

Dec-\$12.66.

Total-\$81.57

There were no credits. So far I am behind \$73.32. How is this a good deal for SW customers? When is this money coming back? I know 2014 hasn't been addressed yet but SW customers are looking at two consecutive years of over charges. SW Gas argued that de-coupling would only average about \$1.50 per month. It actually averages closer to \$5 per month and that includes all the summer months.

I understand a little bit about the heating degree days and the averaging. However using the most recent month which wasn't warm at all I was billed \$12.66. Matter of fact my December 2013 bill using 72 therms was \$101. This year using 73 Therms my bill was \$137 a 36 percent increase.

I went and averaged the most recent 10 years for Tucson weather using Davis-Monthan AFB and here is what I found using the years 2004-2013. For the month of November



the average number of heating degree days was 144. This November we had 158 heating degree days. For December the average number of heating degree days is 408. We are already at 364 though Dec 28 and we will probably end up around 404 HDD's. Thus according to Davis-Monthan records for Tucson this is slightly colder than average and yet I get billed and extra \$12.66 instead of a slight credit. How many other times has this happened? So far there are 10 charges and only two credits. I only looked at one month. I am sure there are other overcharges.

Keith [REDACTED]  
[REDACTED]

Tucson, AZ [REDACTED]  
[REDACTED]

- \* JANUARY TO JANUARY 22% RATE INCREASE  
1 ATTACHED - ALL BILLS WITH  
CREDIT OR CHARGES
2. STATEMENT FROM SW GAS ON  
\$ 1.50 ADJUSTMENT
3. ARIZONA DAILY STAR DECEMBER  
ARTICLE ON CREDIT

**Teresa Tenbrink**

---

**From:** Earl [REDACTED]  
**Sent:** Monday, January 12, 2015 12:21 PM  
**To:** BitterSmith-Web  
**Subject:** Southwest Gas Corp. - EEP Weather Adjustment

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

EEP- Energy Efficiency Enabling Provision.

In late December 2014, I received my statement from Southwest Gas Corp.  
On it was something called "EEP Weather Adj & EEP Annual Adj"

I had never heard anything about these concepts - not from Southwest Gas or The Corporation Commission, it just showed up on my statement.

After doing some research on the subject, it sounds to me like Southwest Gas is charging me for gas that they thought I should have used in November, but did not, based on average daily temperatures (taken somewhere) in November and some other analysis. Am I wrong about this?

My EEP Weather Adj. for November was \$11.96 and a (\$0.08) credit EEP Annal Adj. (29% over the bill of \$40.65 without this charge).

This is ridiculous!

What kind of business model is this? Using smoke & mirrors to gain extra revenue.

What kind of president does this set for other utilities?

Where is the thermometer(s) located to establish average daily temperatures used for this charge?

No thermometer has been installed on my gas meter to measure temperatures at my location and temperatures can vary widely in the valley.

How does the lay person track this charge to know if this charge is correct or not?

What's the incentive for customers to conserve natural gas if they are charged for gas they didn't use?

How does people on a fixed income incorporate a 29% increase for something that is needed not just wanted?

Where was RUCO during this process?

This is like a guy going into a feed store to buy feed. The salesman says "OK! I can sell you that, but we have been monitoring your animals and we think you should have bought more feed last month and so we are going to charge you for that now". Does this sound about right? How ridiculous.

If Southwest Gas needs additional revenue let them justify it through a rate hearing and establish summer & winter rates, if necessary, not use smoke and mirrors that no customer can understand or track.

Earl [REDACTED]  
Litchfield Park